



Resources Operations **Region IV**

Resource Sharing
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DOD HSRIV



Overview

- **Resource Sharing Defined**
- **Request for Equitable Adjustment (REA)**
- **Information Flow**
- **Analysis**
- **Agreement Preparation**
- **Approvals**
- **Contract Timeline**
- **Summary**



Resource Sharing (RS) Defined

- **HMHS can provide staff, equipment, equipment maintenance and supplies to enable MTF to:**
 - **Increase the types of services they provide**
 - **Increase the number of existing services**
 - **Share resources to optimize MTF**
 - **Generate savings to Government & HMHS**
 - **Goal is to reduce CHAMPUS Costs**



Resource Support (RSpt) Defined

- **Represents a Task Order requirement**
 - **Common goals with Resource Sharing**
 - **Provide staff, equipment, equipment maintenance, and supplies to MTF**
 - **Primary objective to augment existing direct care system**
- **Important difference - MTF funds utilized to obtain resource support services**



Resource Sharing Based on Savings-to-Cost Ratio

- **Contractor proposes projected amount of resource-sharing expenditures (Cat 8) for:**
 1. Personnel
 2. Equipment
 3. Supplies
- **Contractor estimates savings-to-cost ratio (e.g., 3.0-to-1.0, or simply 3.0)**
- **Amount of projected Cat 1-7 savings is based on product of proposed expenditures times estimated savings-to-cost ratio.**

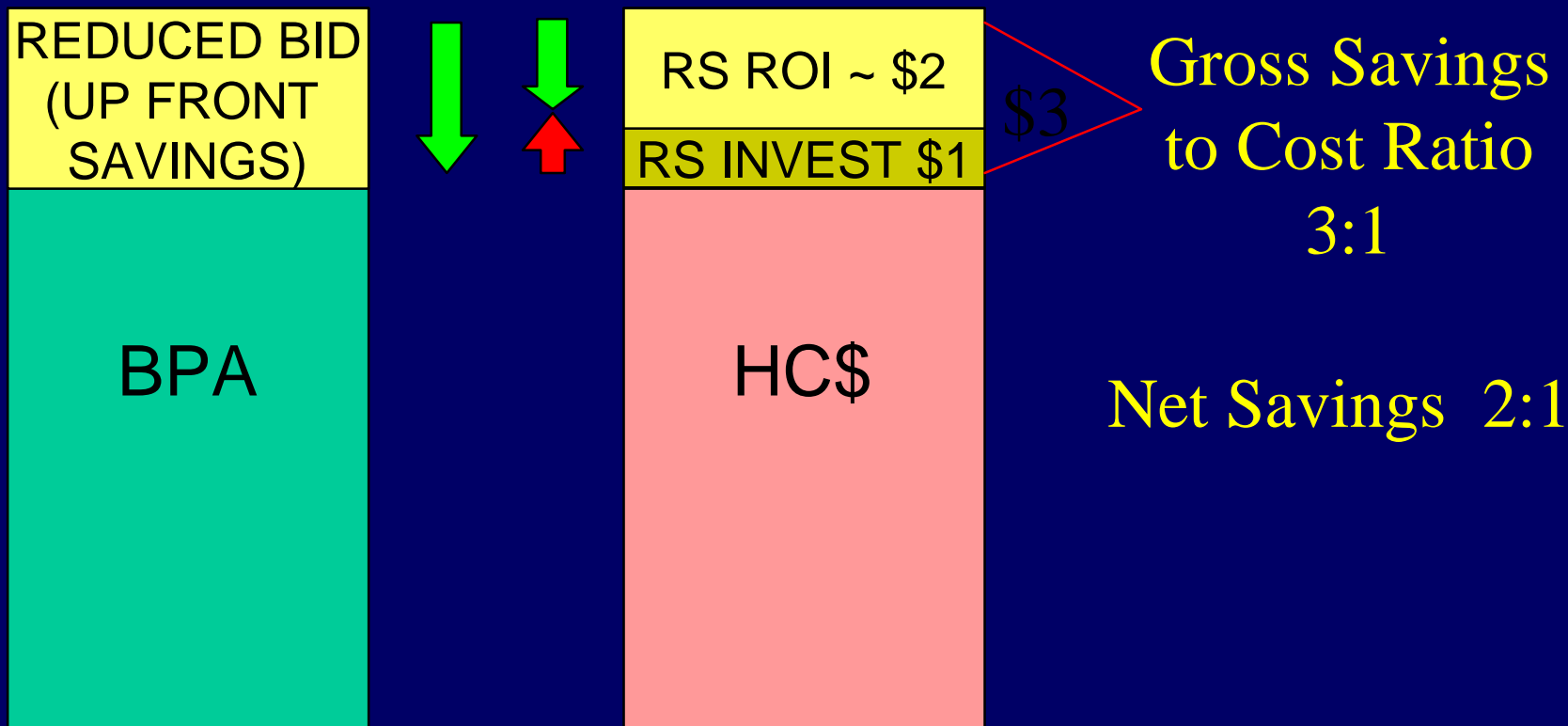


7 Categories of Care Factored in the BPA

- 1. Inpatient Medical/Surgical**
- 2. Inpatient OB/Gyn**
- 3. Inpatient Mental Health**
- 4. Outpatient Non-Mental-Health**
- 5. Outpatient Mental Health**
- 6. Outpatient Laboratory and X-Ray**
- 7. Outpatient Other (including Pharmacy)**



RESOURCE SHARING



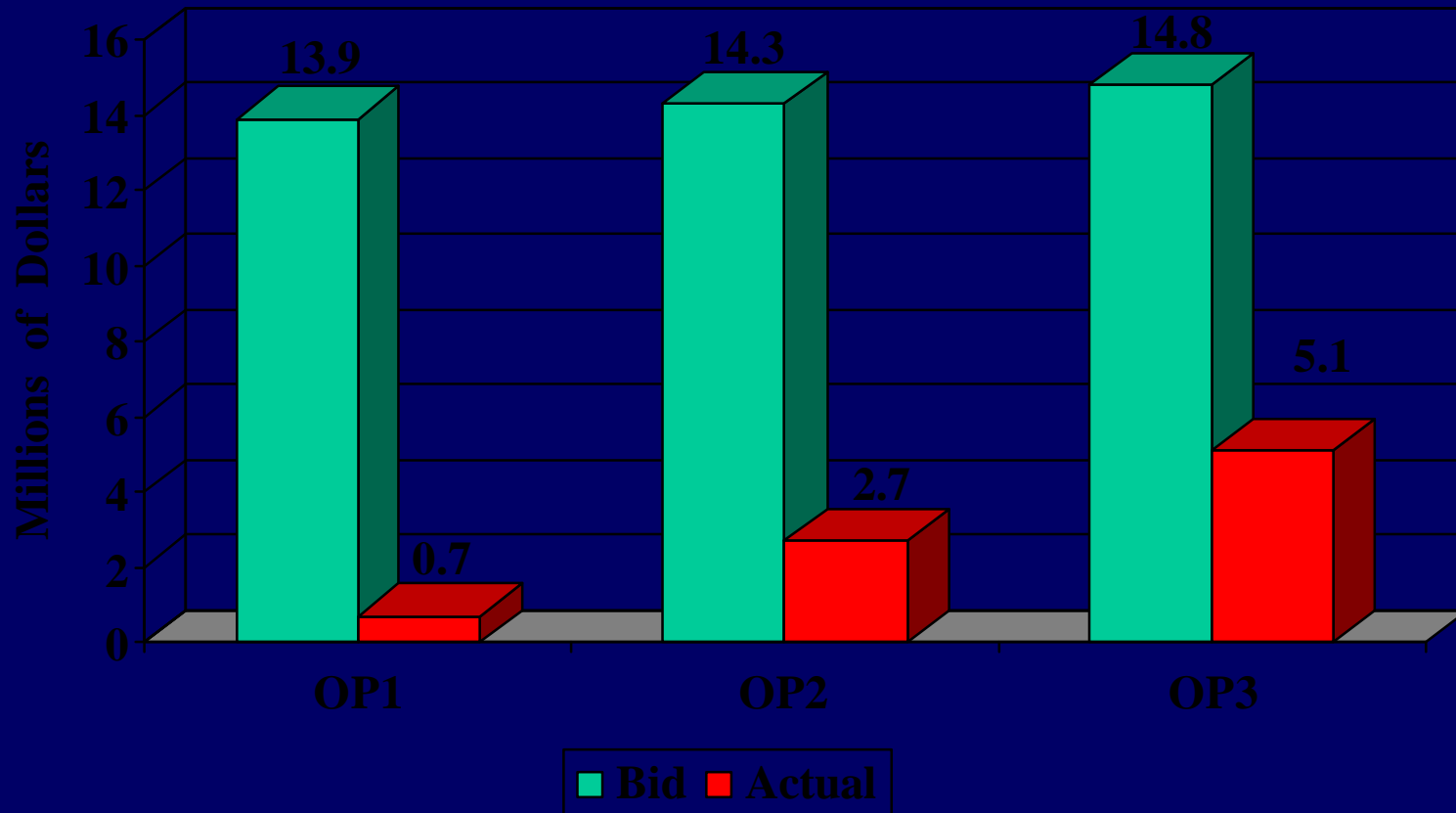


The Resource-Sharing REA

**Procurement Sensitive, for Government and HMHS
Use Only**



Early Resource-Sharing Performance, Region 4





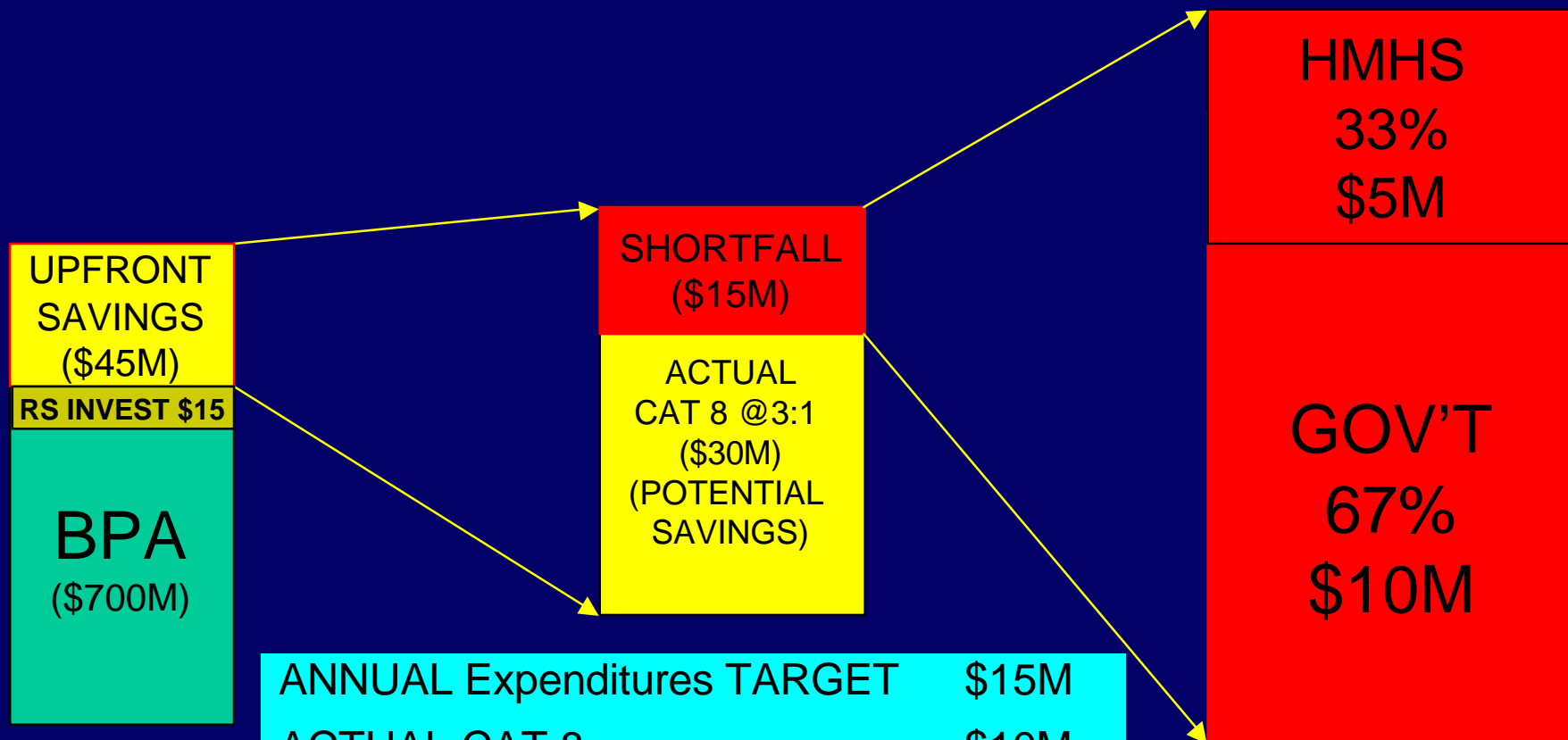
Terms of Resource-Sharing REA Settlement

- **Calculate lost savings as indicated in previous slide, based on resource-sharing dollars not spent**
- **Government takes 67% of responsibility for estimated lost savings**
- **Other special provisions to promote resource sharing**



RESOURCE SHARING

REQUEST FOR EQUITABLE ADJUSTMENT (REA)



ANNUAL Expenditures TARGET	\$15M
ACTUAL CAT 8	\$10M
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UPFRONT SAVINGS (@3:1)	\$45M
PROJECTED SAVINGS	\$30M
SHORTFALL	\$15M
(Gov't-67%; HMHS-33%)	



Other Special Provisions of Resource-Sharing REA

- **New action plan for resource sharing by HMHS, with proposed opportunities**
- **All contracting for health care shall be subject to a comparison with resource sharing**
- **Ongoing educational efforts related to resource sharing in Regions 3 and 4**



Current State of Play

Procurement Sensitive, for Government and HMHS
Use Only



Initial Information Flow

- **New Initiative identified**
- **Information communicated to the Lead Agent**
- **Lead Agent communicates to the MTF Practice Manager**
- **Practice Manager communicates new information and sends the Proposal Worksheet to HMHS Corporate**
- **SOW prepared and sent by MTF to Practice Manager and Lead Agent**



Analysis

- Claims data reviewed
- Workload data reviewed
- HMHS Corporate review of new initiative feasibility
- FAW returned to Lead Agent
- MTF final approval of analysis

Determine financial viability of a new initiative



Agreement Preparation

- **Final proposal completed**
MOU template
Attachment A
FAWS
SOW



Approvals

- **Corporate write up prepared and reviewed by HMHS Chief Financial Officer**
- **HMHS President signs three hardcopies of authorized agreement**
- **MTF Commanding Officer receives and signs authorized agreement**
- **Lead Agent receives and signs authorized agreement then distributes signed copies to the MTF and HMHS Corporate**



Contract Timeline

- **Contractor shall provide complete Cost Analysis within 30 calendar days of a written request**
- **The contractor shall forward all completed RSA to the Lead Agent**
- **The Lead Agent will provide written approval/disapproval within 30 calendar days**
- **The contractor shall RSA clinical personnel for MTF credential review within 90 calendar days**
- **This whole process could take up to 150+ days**
- **RSA's ARE NOT INTENDED TO BE A QUICK FIX!!!**



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Creating efficiencies through process improvements



QUESTIONS?

HOOAH!!!